



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB4943

by Rep. Nick Sauer

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/227 new  
35 ILCS 5/507III new  
30 ILCS 105/5.886 new

Amends the Illinois Income Tax Act. Creates a credit in an amount equal to the qualified adoption expenses paid or incurred by a taxpayer who, during the taxable year, legally adopts a child who was in the custody of the Department of Children and Family Services. Provides that the credit may not exceed \$2,500 for each such child. Creates an income tax checkoff for the Helping Illinois Youth in Care Income Tax Checkoff Fund. Amends the State Finance Act to create the Fund. Effective immediately.

LRB100 20367 HLH 35667 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Income Tax Act is amended by adding  
5 Sections 227 and 507III as follows:

6 (35 ILCS 5/227 new)

7 Sec. 227. Adoption credit.

8 (a) For taxable years beginning on or after January 1,  
9 2018, each taxpayer who legally adopts a qualifying dependent  
10 child during the taxable year is entitled to a credit in an  
11 amount equal to the qualified adoption expenses paid or  
12 incurred by the taxpayer. The amount of the credit may not  
13 exceed \$2,500 for each such child. The credit under this  
14 Section may be claimed for the taxable year in which the  
15 adoption becomes final.

16 (b) In no event shall a credit under this Section reduce  
17 the taxpayer's liability to less than zero. If the amount of  
18 the credit exceeds the tax liability for the year, the excess  
19 may be carried forward and applied to the tax liability of the  
20 5 taxable years following the excess credit year. The tax  
21 credit shall be applied to the earliest year for which there is  
22 a tax liability. If there are credits for more than one year  
23 that are available to offset a liability, the earlier credit

1 shall be applied first.

2 (c) The Department of Children and Family Services, in  
3 collaboration with the Department of Revenue, shall adopt any  
4 rules necessary to implement the provisions of this Section.

5 (d) As used in this Section:

6 "Qualified adoption expenses" has the meaning given to that  
7 term in Section 23 of the Internal Revenue Code.

8 "Qualifying dependent child" means an adopted child who:

9 (1) is an Illinois resident; (2) is no more than 18 years of  
10 age at the time of the adoption; and (3) was in the custody of  
11 the Department of Children and Family Services immediately  
12 prior to being legally adopted by the taxpayer.

13 (e) This Section is exempt from the provisions of Section  
14 250.

15 (35 ILCS 5/507III new)

16 Sec. 507III. Helping Illinois Youth in Care checkoff.

17 (a) For taxable years ending on or after December 31, 2018,  
18 the Department must print on its standard individual income tax  
19 form a provision (i) indicating that if the taxpayer wishes to  
20 contribute to the Helping Illinois Youth in Care Income Tax  
21 Checkoff Fund, as authorized by this amendatory Act of the  
22 100th General Assembly, he or she may do so by stating the  
23 amount of the contribution (not less than \$1) on the return and  
24 (ii) stating that the contribution will reduce the taxpayer's  
25 refund or increase the amount of payment to accompany the

1 return. Failure to remit any amount of increased payment shall  
2 reduce the contribution accordingly. This Section does not  
3 apply to any amended return.

4 (b) The Helping Illinois Youth in Care Income Tax Checkoff  
5 Fund is created as a special fund in the State treasury. Moneys  
6 in the Fund shall be used by the Department of Children and  
7 Family Services for the purpose of making grants and providing  
8 financial support to foster care programs in the State that are  
9 administered by the Department of Children and Family Services.  
10 The Department of Children and Family Services may allocate a  
11 portion of the moneys in the Fund to the Children's Benefit  
12 Fund, a charitable trust administered by the Department of  
13 Children and Family Services.

14 Section 10. The State Finance Act is amended by adding  
15 Section 5.886 as follows:

16 (30 ILCS 105/5.886 new)

17 Sec. 5.886. The Helping Illinois Youth in Care Income Tax  
18 Checkoff Fund.

19 Section 99. Effective date. This Act takes effect upon  
20 becoming law.